



Department of Defense DIRECTIVE

NUMBER 5160.69

December 22, 1997

DA&M

SUBJECT: Defense Management Council (DMC)

References: (a) Title 10, United States Code
(b) Office of Management and Budget (OMB) Circular No. A-76
(Revised), "Performance of Commercial Activities," August 4, 1983

1. PURPOSE

Pursuant to the authority vested in the Secretary of Defense by Section 113 of reference (a), this Directive establishes the DMC, and assigns associated membership, functions, and administrative support responsibilities.

2. MISSION

The DMC is the primary mechanism for ensuring that reform initiatives directed by the Secretary of Defense are carried out within the Department of Defense, recommending to the Secretary of Defense major reforms still needed, and serving as a DoD Board of Directors for oversight of the Defense Agencies.

3. ORGANIZATION AND MEMBERSHIP

3.1. The DMC shall be composed of the Deputy Secretary of Defense, who shall serve as its Chair; the Under Secretary of Defense for Acquisition and Technology (USD(A&T)); the Under Secretary of Defense for Policy (USD(P)); the Under Secretary of Defense (Comptroller) (USD(C)); the Under Secretary of Defense for Personnel and Readiness (USD(P&R)); the General Counsel of the Department of Defense (GC, DoD); the Director, Administration and Management; the Under Secretary of the Army, the Under Secretary of the Navy, the Under Secretary of the

Air Force, the Vice Chairman of the Joint chiefs of Staff, the Vice Chief of Staff, Army; the Vice Chief of Naval Operations; the Vice Chief of Staff, Air Force; and the Assistant Commandant of the Marine Corps.

3.2. The Assistant Secretary of Defense for Intelligence (ASD(I)) shall attend meetings of the DMC when matters under the cognizance of the ASD(I) are addressed.

3.3. Other officials of the Department of Defense and other Departments and Agencies of the Executive Branch (including the Office of Management and Budget and the National Security Council), as may be designated by the Secretary or Deputy Secretary of Defense, shall be invited to attend appropriate meetings of the DMC.

4. FUNCTIONS

The DMC shall:

4.1. Advise the Secretary of Defense on matters of broad policy relating to Defense reform, the efficient organization and management of the Department of Defense, and such other matters as the Secretary of Defense may direct.

4.2. Negotiate performance goals and measurements with the heads of the Defense Agencies and monitor their performance against agreed upon goals, consistent with Section 192 of Title 10, U.S.C. (reference (a)).

4.3. Identify initiatives to improve DoD business practices and monitor progress of the Military Departments, Defense Agencies, and other DoD organizations toward their accomplishment.

4.4. Identify opportunities to achieve improved efficiency and effectiveness in DoD operations by opening them to competition with the private sector, consistent with OMB Circular No. A-76 (reference (b)), and monitor the progress of the competitive evaluation process for these initiatives.

4.5. Identify opportunities for the consolidation of management activities of the Military Departments, Defense Agencies, and other DoD organizations.

4.6. Consult with business leaders and the academic community to seek innovative methods to resolve management problems, reengineer business practices, and streamline operations.

5. ADMINISTRATION

5.1. The DMC shall meet at the call of the Chair.

5.2. The USD(C) shall serve as the Executive Secretary to the DMC and shall arrange for such other staff assistance as may be required.

5.3. The Executive Secretary of the DMC shall:

5.3.1. Assemble and prepare material on matters under consideration for use by the Chair and members of the DMC and distribute them in a timely manner.

5.3.2. Disseminate, to the members of the DMC, specific requirements for data and other actions that arise in each of the sessions of the DMC.

5.3.3. Disseminate, to appropriate DoD officials, decisions reached by the Secretary or Deputy Secretary of Defense, after receiving the advice of the DMC.

5.3.4. Monitor follow-on actions taken to ensure that decisions reached by the Secretary or Deputy Secretary of Defense are implemented properly, including preparation of DoD issuances, when necessary.

5.3.5. Prepare minutes of each meeting of the DMC, which shall be retained in the office of the Executive Secretary of the DMC.

5.3.6. Maintain and safeguard records and ensure their appropriate disposition when they are no longer required.

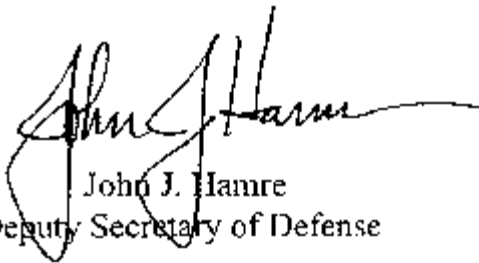
5.4. The General Counsel, DoD, shall, in addition to serving as a member of the DMC, provide legal counsel to the DMC.

6. EFFECTIVE DATE

6.1. This Directive is effective immediately.

6.2. Nothing in this Directive limits or otherwise affects the authority, direction, and control of the Secretary of Defense over the Department of Defense, or the Defense Agency and DoD Field Activity oversight responsibilities of the Office of the Secretary of Defense officials required by Section 192 of 10 U.S.C. (reference (a)).

6.3. This directive will be reviewed every three years for continued need and/or applicability.



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Deputy Secretary of Defense